

REMARKS

Applicant requests favorable reconsideration and allowance of this application in view of the foregoing amendments and the following remarks.

Claims 4, 5, 7-10, 14, and 18-20 are pending in this application, with Claims 4, 14, 18, and 19 being independent. Claims 1-3, 6, 11-13, and 15-17 have been cancelled without prejudice.

Claims 4, 14, and 18 have been amended and Claims 19 and 20 have been added. Applicant submits that support for the amendments can be found in the original disclosure, and therefore no new matter has been added.

The title of the invention has been amended in the manner suggested by the Examiner.

Claims 1-18 stand rejected under 35.U.S.C. §102(b) as being anticipated by U.S. Patent No. 5,216,724 (Suzuki et al.). Applicant respectfully traverses these rejections for the reasons discussed below.

As recited in independent Claim 1, the present invention includes, *inter alia*, the feature of selecting at least one of a plurality of different discrimination processes based on an operation by a user who inputs a password. With this feature, the invention of Claim 1 allows a user to select at least one of plural discrimination processes on the condition that the user inputs a password. Applicant submits that the cited art fails to disclose or suggest at least this feature.

In particular, Suzuki only discloses a discrimination of banknotes using a watermark that is not digital, and it does not disclose or suggest selecting a discrimination process based on an operation by a user who inputs a password.

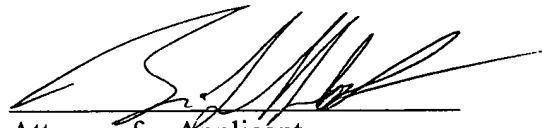
For the foregoing reasons, Applicant submits that the present invention recited in independent Claim 1 is patentable over the cited art. Independent Claims 4 and 18 recite similar features and are believed patentable for similar reasons.

Regarding newly-added independent Claim 19, Applicant submits that the cited art fails to disclose or suggest at least the feature wherein a plurality of different discrimination processes include at least one process implemented by hardware and at least one process implemented by software. Accordingly, that claim is also believed to be patentable over the cited art.

The dependent claims are believed to be patentable for at least the same reasons as the claims they depend from, as well as for the additional features they recite.

Applicant's undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should continue to be directed to our below-listed address.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Brian L. Klock', is written over a horizontal line.

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